

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 6-7, 2023

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.5e.(2), Action Item

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District 01 – Director

Subject: **SUPPLEMENTAL FUNDS FOR CAPITAL OUTLAY SUPPORT PHASE
PPNO 4490/EA 40110 – MENDOCINO COUNTY – STATE ROUTE 1
RESOLUTION FA-23-43**

ISSUE:

Should the California Transportation Commission (Commission) approve the California Department of Transportation's (Department) request for an additional \$4,440,000 in Capital Outlay Support (COS), for the State Highway Operation and Protection Program (SHOPP) Bridge Rehabilitation and Replacement project on State Route (SR) 1, in Mendocino County, to complete the Project Approval and Environmental Document (PA&ED) phase?

RECOMMENDATION:

The Department recommends that the Commission approve this request for a COS supplemental funds allocation for this SHOPP project.

PROJECT DESCRIPTION:

This project is located on SR 1, near Albion, at the Albion River Bridge (No. 10-0136), in Mendocino County. The project is proposing to replace the bridge.

The bridge is on the National Register of Historic Places due to its ingenuity in design and material, and having been built during strict wartime restrictions. The current 969-foot long and 28-foot-wide structure is comprised of timber trusses, concrete abutments, timber deck with asphalt riding surface, and a mixture of concrete and timber piles for its support. Had there been no wartime restrictions on building materials, the Albion River Bridge would have been a concrete arch structure similar to other bridges along the Mendocino Coast.

FUNDING AND PROGRAMMING STATUS:

In April 2012, this project's PA&ED phase was programmed for \$3,650,000 in the SHOPP for completion in Fiscal Year 2017-18. In June 2016, the project was amended to account for

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additional coordination that will be needed to complete the PA&ED phase and increased the programmed amount to \$5,500,000. In December 2016, the project was further amended to move out the completion from 2017-18 to 2019-20. In June 2017, the project received PA&ED allocation for \$6,147,000. In May 2019, the project received G-12 funds in the amount of \$815,000. In June 2019, the project was amended to move out the completion from 2019-20 to 2021-22 (making it a long lead project) and increased the programmed amount for the remaining phases. In June 2020, the project received a 3-month (instead of a 26-month) expenditure time extension for the PA&ED phase. In December 2021, the project received supplemental funds in the amount of \$2,900,000 to continue work on the PA&ED phase. In March 2022, the project was further amended to move out the completion from 2021-22 to 2023-24 and increased the programmed amount for the remaining phases. In August 2022, a correction was made to the initial expenditure time extension from 3 to 26 months and the project received an amendment to the expenditure time extension for an additional 26 months for the PA&ED phase. In October 2022, the project's delivery method was converted to use the Construction Manager/General Contractor (CMGC) process. The PA&ED phase is currently 60 percent complete. The remaining budget is \$466,000, which is insufficient to complete the phase. The project is scheduled to complete the remaining PA&ED activities by October 2024.

REASON FOR COST INCREASE:

The project realized cost increases due to the development of new alternatives that were not in the programmed Project Initiation Document (PID).

In December 2021, the project received \$2,900,000 to address increased public outreach efforts, an environmental task order, preliminary PS&E activities, and to pursue the anticipated use of the CMGC process.

Additional PA&ED support funds are needed for the development of new alternatives that were not in the programmed PID. In response to a thorough environmental process involving regulatory agency requirements and public opposition (mostly impacted adjacent property owners), the Department has worked closely with the Construction Manager (CM) to develop project alternatives for alignments, and construction staging areas to address environmental process issues. These efforts resulted in studying 11 alternatives. The added support costs for these alternatives involve unprogrammed resources for field surveys, roadway design, bridge design, environmental field studies, environmental document changes, construction staging analysis, coordination with stakeholders, right of acquisition/easement coordination, and extensive project management.

The CMGC process moved up the engagement and increased coordination with the United States Coast Guard and the California Coastal Commission. Utilizing the CMGC process has been successful as the CM proposed new innovative solutions based on construction methods that reduce excavation and lowers overall construction costs. In addition, an Independent Cost Estimator (ICE) is being utilized in the PA&ED phase to review plans and alternatives to identify assumptions and risks. This effort is typically performed in the design phase so was not accounted for in the support estimate for this phase. The ICE will also assist in developing an

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Opinion of Probable Construction Cost in conjunction with the Department and the CM that will inform an updated construction estimate. The issues precipitating the need for new alternatives were risks identified during the PID phase and have come to fruition despite the Department's best efforts to minimize impacts to project changes. The risk involves renewed efforts by opponents to impede the delivery of this project through California Public Records Act requests, litigation, and incorrect media. In addition, the project has experienced public opposition from a small group of residents to property entries, eminent domain actions, and increased coastal permit challenges. Engagement efforts will be ramping up with the Department's Public Information Office, stakeholders, and legal consultation to address public concerns and handle increased activity as a result of the draft environmental document.

Since the transition to the CMGC delivery method, the project required an increase in staff resource expenditures above what was originally estimated and requested for programming. After consultation with the CM, the location and size of staging areas changed and required redesign and increased environmental analysis of the new locations. Additionally, adjacent property owner input also impacted staging areas. The project currently has a highly detailed project description and construction scenario than what is typically utilized. This has resulted in more accurate environmental impacts and triggered additional studies.

The estimate in the previous supplemental to utilize CMGC was well underestimated for the unforeseen work activities described above. Additional resources in the amount of \$4,440,000 will be needed to complete the PA&ED activities associated with analyzing the new alternatives, elevated environmental document, and increased engagement with stakeholders. The Department has an aggressive schedule and anticipates completing PA&ED by October 2024.

CONSEQUENCES:

If this request for supplemental funds is not approved, the Department will not be able to complete the PA&ED phase, funds will be exhausted, and the draft environmental document will be shelved until additional funding is acquired. The project would be delayed until it is reprogrammed in a future SHOPP cycle, which could lead to future cost increases.

FINANCIAL RESOLUTION:

Resolved, that \$4,440,000 be allocated to provide funds to complete the pre-construction PA&ED phase for this SHOPP project.

Attachment

2.5 Highway Financial Matters

Project #	Allocation Amount	Recipient	County	Dist-Co-Rte	Postmile	Location	Project Description	PPNO Program Phase	Program Code	Project ID	Adv Phase	EA	Original Amount	This Supplemental Request
2.5e.(2)	COS Supplemental Funds for Previously Voted Project										Resolution FA-23-43			
1						Near Albion, from 3.0 miles north of Route 128		01-4490					\$6,147,000	\$4,440,000
\$4,440,000						Junction to 0.2 mile north of Albion River Bridge		SHOPP						
Department of						No. 10-0136. Bridge replacement.		PA&ED						
Transportation						Outcome/Output: This is a Construction		20.10.201.110						
Mendocino						Manager/General Contractor (CMGC) project.		0100000154						
01-MEN-1								0						
43.3/44.2						(Long Lead Project)		40110						